

THE PRESIDENT'S INTELLIGENCE CHECKLIST

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21 MAY 1962
~~TOP SECRET~~



1. Laos

a. Acting Foreign Minister Sisouk told Brown yesterday that word from the Lao ambassador in Washington stating that the US desired a reorganization of the royal government and the removal of Phoumi from all positions of political influence caused a "very violent" reaction in Vientiane and might undo recent progress toward a settlement with Souvanna. He said the cabinet would meet today to decide whether to resign or resist. We doubt that the cabinet will resign, but do not rule out the possibility that Phoumi will at least temporarily revert to recalcitrance.

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b. Souvanna, due back today, has requested an audience with the king in prelude to a three-princes meeting in the Plaine des Jarres. He has, meanwhile, put a time limit on his availability for negotiations by saying he will return to Paris in time to attend his daughter's wedding on 28 June.

c. There have been no important developments on the military front. We think, however, that there is now a good chance that Phoumi will soon be moving the bulk of his forces to the south.

d. Pakistan and the Philippines, partially motivated by a desire to show their current pique with the US, have reacted negatively to the idea of sending troops to Thailand.

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e. Sihanouk, in reply to an U Thant feeler, has sent a message to New York saying that he is, under certain circumstances, willing to make another effort to mediate the Laotian crisis. [REDACTED]

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2. West New Guinea

a. Subandrio was in a highly emotional frame of mind when he talked with Jones on Saturday. Jones, who reports that the atmosphere in Djakarta is becoming increasingly tense, speculates that Subandrio's performance may be a tip-off that the Indonesians are about to undertake some desperate action against the Dutch.

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b. Thanks to the USSR, Indonesian capacity to strike a painful blow [REDACTED]

[REDACTED] has been notably increased recently. Earlier this month nine MIG-25--fitted for air-to-air missiles--were delivered in Djakarta, and six jet medium bombers are on the way. Several of these bombers, of which the Indonesians now possess 16, are to be equipped with anti-shiping missiles. [REDACTED]

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c. In New York, U Thant has asked both sides to stop fighting, and to resume negotiations on the basis of the Bunker formula.

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3. Soviets may be preparing to resume pressures against Berlin



We note that Khrushchev's tough talk in Bulgaria coincided with the Soviet Berlin Commandant's refusal to discuss the right of East German authorities to control the sector border. In the last few days the East German propaganda machine has begun making noises suggesting a revival of demands for visa controls at the sector border. In addition a French military convoy was turned back on Friday and one of ours was delayed yesterday. The pretext in both cases was refusal to submit to a head count; Soviet officials on the scene said their orders came from "the highest quarters."

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4. New Syrian upheavals appear inevitable



With the economy in increasingly bad shape, opposition politicians exploiting a new-found freedom to freewheel, and pro-Nasir sentiment growing, the government of Premier Azmah--never a tower of strength--may not be with us much longer. The lay-off of large numbers of factory workers that is to take place this week promises to touch off a new round of anti-regime demonstrations, the outcome of which we are presently unable to predict.

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5. Algeria

Algerian nationalist leaders on Friday let out the reins on their people a bit by publicly endorsing their right to "legitimate self-defense"; partly, we think, to head off a new effort by Ben Bella and his militant backers to take matters into their own hands. Whatever the reason, the pronouncement will probably be interpreted loosely and result in a lengthening of the European casualty list.

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6. Congo

Tshombé showed up in Leopoldville on Friday, but contact with Adoula was put off until today when the two got together to discuss "procedural questions." UN officials, frustrated by the chilly reception both sides have so far accorded what the UN considers to be a reasonable agenda, are mulling over ways and means of getting things moving. Gardiner is in favor of stopping railroad traffic in Katanga--wherever the UN is in a position to--as a starter.

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7. Argentina

yesterday's action recessing the Congress, ordering the reorganization of political parties and limiting the life of the present regime to 1964 is backed by all military factions.

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the government can now proceed, in a calm atmosphere, to straighten out the country's political and economic problems. Until we get a better look at how the government

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handles the strikes set for next week, we are not convinced that Guido's sailing is going to be all that smooth.

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NOTES

- A. With daily turn-backs now running ahead of new entrants by about 4,000 to 3,500, the British in Hong Kong are managing to keep their head above water in coping with the Chinese refugee problem. They are, nevertheless, building a secondary fence along the border as much to keep the locals from helping friends and relatives evade arrest as to keep the refugees out. [REDACTED] 50X1
- B. In Sudan the first of the long-expected Soviet civil aviation delegation arrived in Khartoum on Friday as scheduled. [REDACTED] 50X1
[REDACTED] 50X1
- C. [REDACTED] people in Guatemala City are concerned that Ydigoras, thinking the worst of his troubles are over, will rest on his oars rather than pull for the reforms he has promised, thereby exposing himself to disaster later on. [REDACTED] 50X1
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- D. Salazar recently told an American reporter that he would not agree to a renewal of the Azores base agreement and that Portugal would henceforth look to Europe for economic support. We do not accept this threat at face-value, but think it is indicative of the hard-nosed attitude the Portuguese will take when talks get underway. [REDACTED] 50X1
- E. [REDACTED] Chinese Communist troops are on the move in the China-Laos-Burma border triangle. If there is anything to this information, it could mean that the Communists are preparing to go after the Chinese Nationalist irregulars that are scattered about the area as they did--with Burmese permission--in November 1960. [REDACTED] 50X1
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DOCUMENT OF INTEREST

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THE DIRECTOR OF CENTRAL INTELLIGENCE